



P. T. Ferro Construction Co.

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February 28, 2005

Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701
Attn: Chairman Edward C. Hurley

RE: NICOR Rate Case DOCKET NO. 04-0779

Gentlemen:

We are P. T. Ferro Construction Co. and we have been serving the Joliet and surrounding area for over 40 years. P.T. Ferro Construction Co. is a paving company that produces and installs bituminous asphalt paving materials on roads and parking lots for the public and private sectors in northern Illinois. Our asphalt materials are made by mixing stone and sand in a big drum and drying the material by a large flame created by natural gas which we purchase from NICOR Gas. We employ approximately 125 employees during our peak times from April to December. Our work is seasonal and must be accomplished during the warm part of the year.

It has been brought to our attention that NICOR Gas is requesting a rate increase of 30 to 40 percent along with increased storage restrictions. We cannot accept this type of rate increase if we expect to stay in business in Illinois! The Illinois Department of Transportation does not have the funds to adequately support a highway program now and this type of increase will only decrease the volume of work awarding authorities can afford to perform. With a decrease in our volume of work, we will be forced to lay off current employees which will only hurt our economy.

Another detrimental effect contained in Document No. 04-0779 - (Part 4)285 filing - Exhibit 12.2 (part 2) page 61 of 109, is the increased storage restrictions. The new rules on cycling would require companies to purchase 90% of their gas supply by November 1st and deplete this quantity to 10% by April 1st. THIS IS COMPLETELY OPPOSITE OF OUR CONSTRUCTION SEASON AND WOULD HAVE A DEVASTATING EFFECT ON OUR FIRM! WE CANNOT WORK WITH THE PROPOSED RESTRICTIONS.

Please give your attention to the increases and storage restrictions NICOR has proposed. Our company and our industry cannot accept nor tolerate the changes as proposed.

Sincerely,

Kenneth L. Wilhelm

Kenneth L. Wilhelm
Project Manager - Asphalt Division

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